

IN THE CHANCERY COURT FOR LEWIS COUNTY
AT HOHENWALD, TENNESSEE

IN RE:

SENTINEL TRUST COMPANY

NO. 4781

FILED
AT 10:19 O'CLOCK A.M.

DEC 20 2006

JANET WILLIAMS, CLERK & MASTER
BY Selena Wix

**ORDER APPROVING COMMISSIONER-IN-POSSESSION'S AND RECEIVER'S
SCHEDULE OF CLAIM DETERMINATIONS AND THE METHODOLOGY
PROPOSED TO CALCULATE DISTRIBUTIONS ON ACCEPTED CLAIMS
WITH CERTAIN EXPRESS MODIFICATIONS**

On January 31, 2006, the Commissioner-in-Possession ("Commissioner") and the Sentinel Trust Receiver ("Receiver") filed a Notice of Filing of Schedule of Claim Determinations and Motion Seeking Approval of the Schedule of Claim Determinations and Approval of the Methodology Proposed to Calculate Distributions On Accepted Claims ("Motion Seeking Approval"). Eight (8) Objections to the Motion Seeking Approval were filed on or before the February 21, 2006 deadline for the filing of objections.¹ On March 27, 2006, the Acting Commissioner and Receiver filed Replies to the eight (8) Objections to the Motion Seeking Approval. This matter came before the Court for hearing on April 12, 2006 at which time the Court 1) overruled the Objections filed by Bushman, Pilgeram, Mayer, Doyle and Mele, 2) sustained the Objection filed by Longinotti and 3) requested further briefings on issues raised by the Reliance Objection and the Bates Objection. On May 22, 2006, another claimant, Lana M. Frye, submitted an Objection to the treatment of her claim. On June 1, 2006, the Acting Commissioner and Receiver filed their Reply to the Frye Objection. Further oral argument was

¹ Those objections were filed by seven (7) claimants (Longinotti, Bushman, Pilgeram, Mayer, Doyle, Mele and Reliance HealthCare Management, Inc. ("Reliance")) and by Danny N. Bates ("Bates").

held before the Court on August 8, 2006 relating to the Frye Objection, and the remaining issues raised by the Reliance Objection and the Bates Objection.

The Court has entered separate Orders relating to each Objection filed, but, through this Order, addresses the comprehensive ruling on the Commissioner's and Receiver's Motion Seeking Approval.

With regard to the Schedule of Claim Determinations ("Schedule") (attached as Exhibit A to the Motion Seeking Approval), this Court's approval has been sought for 1) the acceptance or denial of claims; 2) the approved amounts as to accepted claims and 3) the classification/prioritization of claims. This Court has also been asked to approve the methodology, proposed in the Motion Seeking Approval, as the methodology to be used to calculate distributions on accepted claims. See Exhibit E to Motion Seeking Approval for calculation methodology.

The Court has considered the Motion Seeking Approval, all filings in relation thereto, the record in this action and argument of counsel presented. Accordingly, the Court approves 1) the acceptance or denial of claims listed on the Schedule, except that the Longinotti claim will be added as an accepted claim; 2) the approved amounts as to accepted claims listed on the Schedule, except that approved amount for the Longinotti claim will be added and 3) the classification/prioritization of claims listed on the Schedule, except that the Longinotti claim will be added as a "Class 5" claim. The Court also approves the methodology used to calculate distributions on accepted claims. The amount of proceeds from the liquidation of a Sentinel Trust Hilliard Lyons account will be placed in the SunTrust Pooled Fiduciary Account and will be available for the interim distribution envisioned by the Acting Commissioner and Receiver pursuant to future motion and order under T.C.A. § 45-2-1504(g).

The Court has been requested by the Commissioner-in-Possession and the Receiver to certify this Order as final pursuant to Rule 54.02 Tenn. R.Civ.P. The Court finds that certainty is needed regarding the determinations set forth in the Schedule of Claim Determinations as well as the methodology to be used by the Receiver in calculating distributions. If these matters are not determined with finality, any interim distribution paid by the Receiver and received by the claimant could be attacked on appeal later. Accordingly, to provide certainty and finality, and seeing no reason or just cause for delay, the Court directs that this Order be entered by the Clerk and Master as a final appealable order on the matters addressed herein. Rule 54.02 Tenn.R.Civ.P.


It is so ORDERED, this the 19th ^{December} ~~August~~, 2006.



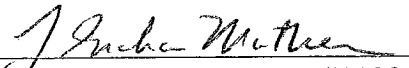
Hon. Jerry Scott
Sitting by Appointment

JERRY SCOTT
SENIOR JUDGE
Sitting by designation
pursuant to Tenn Code
Ann SEC. 17-2-304

Submitted for Approval:


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*Counsel for Receivership Management, Inc.,
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CERTIFICATE OF SERVICE

This is to certify that on August 8th, 2006 a copy of the foregoing Order has been sent by First Class U.S. Mail, postage paid, and also by facsimile as noted, to:

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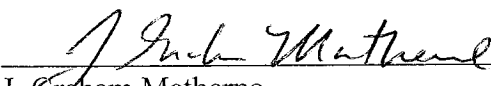
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This is also to certify that a copy of the foregoing Order has been posted upon the website of the Tennessee Department of Financial Institutions and that a copy has been mailed to each claimant at the address provided in the proof of claim submitted by that claimant, all having been done on or before August 11th, 2006.



J. Graham Matherne